

PROJECT REPORT FOR
AAYURVEDIK SHOP



PREPARED FOR

PROMOTOR

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

PROJECT LOCATION

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

PREPARED BY:

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C O N T E N T

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I. PROJECT AT A GLANCE

1. Name of Promoter : xxxxxxxxxxxxxxxxxxxxxxxxxxxx
Address:xxxxxxxxxxxxxxxx

2. Project Cost : Rs. 4.50 Lakhs

3. Mean of Finance
 - A) T. L. facility from Bank : Rs. 3.60 Lakhs
 - B) Cash Credit Loan from Bank : Rs. 0.45 Lakhs
 - C) Own contribution : Rs. 0.45 Lakhs
 - D) Subsidy : Rs. 1.47 Lakhs

4. Rate of Interest : 12.00% Per Annum

5. Repayment : 60 monthly instalments @ Rs. 0.08
Lakhs EMI

6. Nature of Project : Aayurvedik Shop

7. Employment Potential : 2 Nos.

8. Nature of the Firm : Proprietary Firm

9. Average Debt Coverage ratios : **2.37**

INTRODUCTION

Ayurvedic medicines are being popular day by day because these medicines used in the treatment of all kind of diseases. Ayurvedic system of medicine is as old as the vedic age. Now-a-days people give preference to the Ayurvedic medicines as the Allopathic medicines are costlier and have side effects. Ayurvedic medicines are based on plants, animals extracts and minerals both in single ingredient drugs and compound formulations. Basic raw materials used in the formulation of ayurvedic machines are mainly plant origin hence consumption of ayurvedic medicine does not produce any major adverse effect on body beside the use of allopathic medicines may cause harmful effect on kidney, liver, intestines, alongwith some allergic effect to skin.

Products Aristha, Awleha, Churna, chyanpras, and taila are the common drugs of present era & these medicines may be used without doctors prescription. The Ayurvedic drugs are derived from vegetable sources from the various parts of the plant like root, steam. leaf, flower, fruit extract or plant as a whole.

There are about 21 varieties of compound formulations in which some of the single drugs of animal origin (52 nos.), Mineral origin (55 Nos.) and plant origin (351 Nos.) are used. The details of the single drugs and other particulars can be had from the Ayurvedic Formulary of India, published by Govt. of India, Ministry of Health and Family Welfare.

All the raw materials such as herbs, minerals etc. for preparation of Ayurvedic medicines are available in India abundantly, particularly in N.E. Region and Himalayan Range as a whole.

Project For :
Aayurvedi Shop

II. ECONOMICS OF THE PROJECT

A. COST OF PROJECT

(Rs. Lacs)

S.No.	Particulars	Total	Spent	Bal. To be spent
1	Shop (Already Existing)	-	-	-
2	Furniture & Interior	4.00	-	4.00
3	Working Capital	0.50	-	0.50
		<hr/>		
		4.50	-	4.50
		<hr/>		

Means of Finance :

a) Own Contribution (10%)	0.45
b) T L facility from Bank (90%)	3.60
c) Cash Credit facility from Bank (90%)	0.45

4.50

C) Reimbursement of Interest Subsidy for 5 years Under Maharashtra State OBC Finance & Development Corporation Ltd. Category- OBC	1.47
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Project For :
Aayurvedi Shop

B. PROFITABILITY STATEMENT

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Sales	12.00	20.00	24.00	26.40	29.04	31.94
	Add : Increase in Cl.Stock	2.14	1.43	0.71	0.43	0.47	0.52
	Total Turnover	14.14	21.43	24.71	26.83	29.51	32.46
2	Material Purchase	8.57	14.29	17.14	18.86	20.74	22.82
3	Overheads						
	a) Direct	2.18	2.40	2.54	2.66	2.90	3.04
	b) Indirect	1.60	1.76	1.94	2.03	2.13	2.24
4	Balance	1.79	2.98	3.10	3.28	3.74	4.36
5	Interest on TL & CC	0.46	0.39	0.31	0.22	0.11	0.05
6	Depreciation	0.60	0.51	0.43	0.37	0.31	0.27
7	Preliminary expenses W/off	-	-	-	-	-	-
8	Profit after Interest & Dep.	0.74	2.09	2.36	2.69	3.31	4.04
9	Income Tax	-	-	-	-	0.33	0.40
10	Profit after Tax	0.74	2.09	2.36	2.69	2.98	3.64
11	Add: Depreciation & Pre Exp.	0.60	0.51	0.43	0.37	0.31	0.27
12	Add : Interest on TL & CC	0.46	0.39	0.31	0.22	0.11	0.05
13	Cash Accruals	1.79	2.98	3.10	3.28	3.41	3.96
14	Instalments of TL & Interest	1.01	1.01	1.01	1.01	1.01	-
15	DSCR	1.27	2.44	2.55	2.73	2.86	-
16	Average DSCR	2.37					
17	N.P. to Total receipts	6.13	10.45	9.83	10.20	10.26	11.39

Project For :
Aayurvedi Shop

C. CASH FLOW STATEMENT

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
A	CASH INFLOW :						
1	Collection from Debtors	11.50	19.17	23.00	25.30	27.83	30.61
2	T.L. from Bank	3.60					
3	CC from bank	0.45					
4	Capital	0.45					
5	Subsidy	0.46	0.39	0.31	0.22	0.11	
	TOTAL (A)	16.46	19.55	23.31	25.52	27.94	30.61
B	CASH OUTFLOW :						
1	Fixed Assets	4.00	-	-	-	-	-
2	Payment to creditors	7.16	13.35	16.67	18.58	20.43	22.48
3	Direct overheads	2.18	2.40	2.54	2.66	2.90	3.04
4	Indirect Overheads	1.60	1.76	1.94	2.03	2.13	2.24
5	Interest on Bank Loan	0.46	0.39	0.31	0.22	0.11	0.05
6	Income Tax	-	-	-	-	0.33	0.40
7	Term Loan Repayment	0.56	0.63	0.71	0.80	0.90	-
8	Drawings	0.25	0.28	0.30	0.33	0.37	0.40
	TOTAL (B)	16.21	18.79	22.46	24.62	27.18	28.62
	SUMMERY:						
	Op. Cash & Bank Balance.	-	0.25	1.01	1.85	2.74	3.51
	Add : Surplus / (Deficit)	0.25	0.76	0.84	0.90	0.77	1.99
	Cl. Cash & Bank Balance.	0.25	1.01	1.85	2.74	3.51	5.51

Project For :
Aayurvedi Shop

D. BALANCE SHEET

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
A	ASSETS :						
1	Fixed Assets	3.40	2.89	2.46	2.09	1.77	1.51
2	Investments	-	-	-	-	-	-
3	Current Assets	2.89	5.91	8.47	10.89	13.34	17.19
4	Loans & Advances	-	-	-	-	-	-
	TOTAL (A)	6.29	8.80	10.92	12.98	15.12	18.69
B	LIABILITIES:						
1	Capital	1.39	3.59	5.95	8.53	11.26	14.49
2	Secured loans Term Loan	3.04	2.41	1.70	0.90	0.00	-
3	Sundry Creditors	1.41	2.35	2.82	3.10	3.41	3.75
4	Current Liabilities Cash Credit	0.45	0.45	0.45	0.45	0.45	0.45
	TOTAL (B)	6.29	8.80	10.92	12.98	15.12	18.69

Project For :
Aayurvedi Shop

(Rs. Lacs)

E. CAPITAL ACCOUNT

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Op. Balance	-	1.39	3.59	5.95	8.53	11.26
2	Additions	0.91	0.39	0.31	0.22	0.11	-
3	Net Profit for the year.	0.74	2.09	2.36	2.69	2.98	3.64
	Sub Total	1.64	3.87	6.26	8.86	11.62	14.90
4	Less : Drawings	0.25	0.28	0.30	0.33	0.37	0.40
5	Cl. Balance	1.39	3.59	5.95	8.53	11.26	14.49

Project For :
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(Rs. Lacs)

F. SALES

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Sales per annum	12.00	20.00	24.00	26.40	29.04	31.94
2	Total Sale	12.00	20.00	24.00	26.40	29.04	31.94
3	Sundry Debtors (Credit period allowed 15 days)	0.50	0.83	1.00	1.10	1.21	1.33
4	Collection from Debtors	11.50	19.17	23.00	25.30	27.83	30.61

Project For :
Aayurvedi Shop

(Rs. Lacs)

G. MATERIAL CONSUMPTION AND INVENTORY

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Sale of material	12.00	20.00	24.00	26.40	29.04	31.94
2	Purchases of Material	8.57	14.29	17.14	18.86	20.74	22.82
3	Sundry Creditors (Assume 60 day Cedit Period allowed)	1.41	2.35	2.82	3.10	3.41	3.75
4	Payment to creditors	7.16	13.35	16.67	18.58	20.43	22.48
5	Stock of Material	2.14	3.57	4.29	4.71	5.19	5.70

Project For :
Aayurvedi Shop

(Rs. Lacs)

H. DIRECT OVERHEADS

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Staff Salary (Monthly salary- Rs. 7,000/- per staff) (No. of staff- 2)	1.68	1.85	1.93	2.03	2.23	2.34
2	Other Overheads	0.50	0.55	0.61	0.64	0.67	0.70
	Total	2.18	2.40	2.54	2.66	2.90	3.04

Project For :
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(Rs. Lacs)

I. INDIRECT OVERHEADS

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Travelling & Conveyance	0.50	0.55	0.61	0.64	0.67	0.70
2	Repairs & Maint.	0.25	0.28	0.30	0.32	0.33	0.35
3	Electricity Expenses (Off.)	0.36	0.40	0.44	0.46	0.48	0.50
4	Telephone Expenses	0.24	0.26	0.29	0.30	0.32	0.34
5	Misc. Expenses	0.25	0.28	0.30	0.32	0.33	0.35
		<u>1.60</u>	<u>1.76</u>	<u>1.94</u>	<u>2.03</u>	<u>2.13</u>	<u>2.24</u>

Project For :
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J. TERM LOAN REPAYMENT AND INTEREST THEREON

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	TL / Op. Bal.	3.60	3.04	2.41	1.70	0.90	-
2	Repayment during the year	0.56	0.63	0.71	0.80	0.90	-
3	Cl. Balance	3.04	2.41	1.70	0.90	0.00	-
4	Interest at 12 per cent p.a.	0.40	0.33	0.25	0.16	0.06	-
5	Total repayment with Interest	1.01	1.01	1.01	1.01	1.01	-
6	Interest on CC (at 12 per cent p.a.)	0.05	0.05	0.05	0.05	0.05	0.05
	Total Interest	0.46	0.39	0.31	0.22	0.11	0.05

Term Loan Repayment Schedule

MONTHS	EMI	INTEREST	PRINCIPAL REPAYMENT	OST PRINCIPAL
0				3.6
1	0.08	0.04	0.04	3.56
2	0.08	0.04	0.04	3.51
3	0.08	0.04	0.04	3.47
4	0.08	0.03	0.05	3.42
5	0.08	0.03	0.05	3.38
6	0.08	0.03	0.05	3.33
7	0.08	0.03	0.05	3.28
8	0.08	0.03	0.05	3.23
9	0.08	0.03	0.05	3.19
10	0.08	0.03	0.05	3.14
11	0.08	0.03	0.05	3.09
12	0.08	0.03	0.05	3.04
First Year	0.96	0.40	0.56	
13	0.08	0.03	0.05	2.99
14	0.08	0.03	0.05	2.94
15	0.08	0.03	0.05	2.89
16	0.08	0.03	0.05	2.84
17	0.08	0.03	0.05	2.79

18	0.08	0.03	0.05	2.74
19	0.08	0.03	0.05	2.68
20	0.08	0.03	0.05	2.63
21	0.08	0.03	0.05	2.58
22	0.08	0.03	0.05	2.52
23	0.08	0.03	0.05	2.47
24	0.08	0.02	0.06	2.41
Second Year	0.96	0.33	0.63	
25	0.08	0.02	0.06	2.36
26	0.08	0.02	0.06	2.30
27	0.08	0.02	0.06	2.24
28	0.08	0.02	0.06	2.18
29	0.08	0.02	0.06	2.13
30	0.08	0.02	0.06	2.07
31	0.08	0.02	0.06	2.01
32	0.08	0.02	0.06	1.95
33	0.08	0.02	0.06	1.89
34	0.08	0.02	0.06	1.83
35	0.08	0.02	0.06	1.76
36	0.08	0.02	0.06	1.70
Third Year	0.96	0.25	0.71	
37	0.08	0.02	0.06	1.64
38	0.08	0.02	0.06	1.57
39	0.08	0.02	0.06	1.51
40	0.08	0.02	0.06	1.45
41	0.08	0.01	0.07	1.38
42	0.08	0.01	0.07	1.31
43	0.08	0.01	0.07	1.25
44	0.08	0.01	0.07	1.18
45	0.08	0.01	0.07	1.11
46	0.08	0.01	0.07	1.04
47	0.08	0.01	0.07	0.97
48	0.08	0.01	0.07	0.90
Fourth Year	0.96	0.16	0.80	
49	0.08	0.01	0.07	0.83
50	0.08	0.01	0.07	0.76
51	0.08	0.01	0.07	0.69
52	0.08	0.01	0.07	0.61
53	0.08	0.01	0.07	0.54
54	0.08	0.01	0.07	0.46
55	0.08	0.00	0.08	0.39
56	0.08	0.00	0.08	0.31
57	0.08	0.00	0.08	0.24
58	0.08	0.00	0.08	0.16
59	0.08	0.00	0.08	0.08
60	0.08	0.00	0.08	0.00
Fifth Year	0.96	0.06	0.90	

Project For :
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K. CURRENT ASSETS

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Cl. Stock of Materials	2.14	3.57	4.29	4.71	5.19	5.70
	Total Inventory	2.14	3.57	4.29	4.71	5.19	5.70
2	Cash and bank Balance	0.25	1.01	1.85	2.74	3.51	5.51
3	Sundry Debtors	0.50	1.33	2.33	3.43	4.64	5.97
	Total	2.89	5.91	8.47	10.89	13.34	17.19

Project For :
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L. FIXED ASSETS AND DEPRECIATION

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Furniture & Interior						
	Op. Balance	-	3.40	2.89	2.46	2.09	1.77
	Additions	4.00	-		-		
	Total	4.00	3.40	2.89	2.46	2.09	1.77
	Less : Depreciation	0.60	0.51	0.43	0.37	0.31	0.27
	Cl. WDV	3.40	2.89	2.46	2.09	1.77	1.51
	Total Depreciation	0.60	0.51	0.43	0.37	0.31	0.27
	Cl. WDV	3.40	2.89	2.46	2.09	1.77	1.51

Project For :
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M. WORKING CAPITAL

(Rs. Lacs)

S.No.	Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1	Total Current Assets	2.89	5.91	8.47	10.89	13.34	17.19
2	Total Current Liabilities	1.41	2.35	2.82	3.10	3.41	3.75
3	Working Capital	1.48	3.56	5.65	7.79	9.93	13.44